

**STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

Before the Commissioner of the Office of Financial and Insurance Regulation

In the matter of:

Vina Financial Group, Inc.

Enforcement Case No. 07-5135

Marty Lee, President

Respondents
_____ /

*Issued and entered
on August 19, 2008
by Stephen R. Hilker
Chief Deputy Commissioner*

ORDER TO CEASE AND DESIST

The Office of Financial and Insurance Regulation of the Michigan Department of Labor and Economic Growth, pursuant to the Michigan Administrative Procedures Act of 1969, MCL 24.201 *et seq.* (hereafter "MAPA"), and the Michigan Debt Management Act, as amended, MCL 451.501 *et seq.* (hereafter "Act"), and the rules promulgated under the Act, say that:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Respondent Vina Financial Group, Inc. (hereinafter "Vina Financial") is a business located at 1354 Hancock Street, Quincy, MA 02169
2. Respondent Marty Lee (hereinafter "Lee") is the President of Vina Financial and is located at 1354 Hancock Street, Quincy, MA 02169. Lee and Vina Financial are referred to herein as "Respondents."
3. OFIR is responsible for the licensing and regulation of debt management companies and the enforcement of the provisions of the Act.
4. At all times pertinent to the matter herein, Respondents Vina Financial and Lee were not licensed by OFIR to conduct debt management services in Michigan.

5. On October 28, 2004, Respondent Vina Financial entered into two debt management contracts (titled "Credit Repair/Credit Enhancement Program" and "Financial Planning Services") with [REDACTED] a Michigan consumer. The terms of these contracts established that [REDACTED] would make monthly payments to Respondent Vina Financial, and Vina Financial would distribute those payments in accordance with agreements regarding the amortization of debts owed by [REDACTED] negotiated directly between Respondent Vina Financial and [REDACTED] creditors.
7. On October 28, 2004, [REDACTED] paid via check a total of [REDACTED] in fees for the services to be rendered by Respondent Vina Financial under the abovementioned contracts.
8. In December 2004, [REDACTED] began sending monthly payments to Respondent Vina Financial in the amount of [REDACTED] as required under the terms of the aforementioned contracts.
9. In November of 2006, [REDACTED] began to receive telephone calls from creditors regarding missed or late payments. [REDACTED] contacted Respondent Vina Financial and was told that the problem would be corrected. When [REDACTED] learned that the problem had not been corrected, [REDACTED] attempted to contact Vina Financial by phone to discuss the matter, but Vina Financial's telephone number had been disconnected.
6. On or about February 14, 2007, OFIR received a complaint from [REDACTED] alleging that Respondent Vina Financial failed to pay creditors in a timely manner, neglected to make payments to creditors, and failed to answer phone calls or respond to concerns [REDACTED] had regarding the foregoing conduct.
10. On or about March 16, 2007, OFIR sent by certified mail a letter to Respondent Lee at the registered agent address for Vina Financial requesting certain information about Vina Financial's debt management business. Respondents failed to respond within the required timeframe set forth in the Act to the March 2007 letter.
11. On or about March 16, 2007, OFIR sent by certified mail a letter to Respondent Lee at the address listed for him as President requesting certain information about Vina Financial's debt management business. Respondents failed to respond within the required timeframe set forth in the Act to this March 2007 letter. Attempts were made to contact Respondent Vina Financial by phone, as well, but the phone lines for Vina Financial had been disconnected.

WHEREAS, Section 2(a) of the Act, MCL 451.412(a), states that the business of debt management means providing or offering to provide debt management to 1 or more residents of this state; and

WHEREAS, Section 2(d) of the Act, MCL 451.412(d), states that debt management means the planning and management of the financial affairs of a debtor and the receipt of money from the debtor for distribution to a creditor in payment or partial payment of the debtor's obligations; and

WHEREAS, OFIR has information that Respondents Vina Financial and Lee are engaged in debt management and/or the business of debt management within the State of Michigan; and

WHEREAS, Section 4(1) of the Act, MCL 451.414(1), requires all persons located within or outside the boundaries of the State of Michigan to be licensed in order to conduct debt management business in the State of Michigan; and

WHEREAS, Respondents Vina Financial and Lee are not licensed with the State of Michigan under the Act; and

WHEREAS, Section 4(1) of the Act, MCL 451.414(1), provides that a contract of debt management as defined by this Act made by a person without a license is null and void; and

WHEREAS, Section 23(3)(b) of the Act, MCL 451.433(3)(b), permits the Commissioner to require a statement in writing regarding the facts and circumstances surrounding the matter to be investigated and that the statement be filed with OFIR within 15 days; and

WHEREAS, on or about March 16, 2007, OFIR requested information from Respondent Lee regarding Vina Financial's debt management practice in the State of Michigan. OFIR received no response from Respondents Lee and Vina Financial; and

WHEREAS, based on the foregoing, OFIR staff recommends that the Commissioner finds that Vina Financial Group, Inc. is engaged in acts or practices that violate Sections 4 and 23 of the Act; and

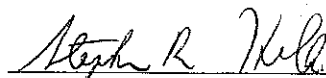
WHEREAS, this action is necessary, appropriate and in the public interest for the protection of the public and consistent with the purposes fairly intended by the policy and provisions of the Act.

IT IS THEREFORE ORDERED that, pursuant to Section 23 of the Act, MCL 451.433, and Section 24 of the Act, MCL 451.434, that:

1. Respondents Lee and Vina Financial shall immediately **CEASE AND DESIST** from transacting the business of debt management in the State of Michigan without being licensed under the Act.
2. Within 30 days of the issuance and entry of this Order, Respondents Lee and Vina Financial shall immediately cancel any and all debt management contracts they have with residents of the State of Michigan.
3. Within 30 days of the issuance and entry of this Order, Respondents Lee and Vina Financial shall refund all the fees Respondent Vina Financial collected from Michigan residents who entered into a debt management contract with Respondents Lee or Vina Financial.

4. Respondents Lee and Vina Financial shall provide their Michigan clients with a list of debt management companies licensed by OFIR, and transfer all of their Michigan accounts to a Michigan licensed debt management company, within 30 days of the issuance and entry of this Order.
5. Within 30 days of the issuance and entry of this Order, Respondents Lee and Vina Financial shall provide OFIR with written documentation indicating that they have provided their Michigan clients with a list of Michigan licensed debt management companies, and transferred their Michigan client accounts to a debt management company licensed by OFIR.
6. Respondents Lee and Vina Financial shall, within 30 days of the issuance and entry of this Order, provide OFIR with the name(s) of the licensed debt management company they have transferred their Michigan client accounts to. This document shall also include the names and addresses of the Michigan residents whose accounts have been transferred to a licensed debt management company.
7. Respondents Lee and Vina Financial shall refund [REDACTED] within 30 days of the issuance and entry of this Order, all of the fees Vina Financial collected from [REDACTED] for administering her debt management plan.
9. Failure to comply with this ORDER will subject Respondents Lee and Vina Financial to one or more of the following:
 - (a) A person who knowingly authorizes, directs, or aids in violation of a final cease and desist order, or who knowingly fails to comply with the terms of a final cease and desist order, is guilty of a misdemeanor, and may be fined not more than \$5,000.00, or imprisoned for not more than 6 months, or both. Each violation constitutes a separate offense.
 - (b) A person who violates an injunction or a cease and desist order issued pursuant to this act is guilty of criminal contempt.
10. Any other communication regarding this Order should be addressed to the Office of Financial and Insurance regulation, Office of General Counsel, Attention: Marlon F. Roberts, Staff Attorney, P.O. Box 30220, Lansing, Michigan 48909.

OFFICE OF FINANCIAL AND
INSURANCE REGULATION



Stephen R. Hilker
Chief Deputy Commissioner